

California Labor and Workforce Development Agency



Edmund G. Brown Jr.  
Governor

**The Employment Development Department (EDD) is the Work Opportunity Tax Credit certifying agency for California employers.**

**TAX CREDITS CAN SAVE YOUR COMPANY UP TO \$2400**

Your company can receive \$2400 in tax liability for every qualified new hire, and up to \$9000 for qualified others. The Work Opportunity Tax Credit (WOTC) is a federal tax credit available to companies who hire jobseekers from specific target groups who experience barriers to employment. These target groups include recently released ex-felons, qualified veterans receiving Food Stamps or with a service connected disability, those who reside in a designated Empowerment Zone or Renewal Community among several others. Companies may claim the tax credit on an unlimited number of qualifying new hires each year. Employers may claim the Work Opportunity Tax Credit for a total of two years. Employers who do not take the full credit amount of the Work Opportunity Tax Credit because of the tax liability limitation may carry back the unused credit one year and carry forward the unused credit 20 years or until all the credit is used, whichever comes first. The easy application process is performed by EDD and One-Stop Career Center staff, and may be completed in one visit from the job seeker, and one phone call to the employer. For additional WOTC information you may contact EDD at your local One-Stop Career Center, or visit [www.edd.ca.gov/wotc](http://www.edd.ca.gov/wotc)

**FREE BONDING IS ALSO AVAILABLE TO YOUR COMPANY**

EDD Fidelity Bonding is a no-cost, no deductible bond to protect you against possible theft and dishonest or fraudulent acts from non-commercially bondable or at-risk job applicants. The Employment Development Department's Fidelity Bonding Program provides bonding services at no cost to employers, employees, and job seekers at Workforce Services sites and One-Stop Career Centers throughout California. Fidelity bonding services protect employers against possible dishonest acts, and help alleviate employers' concerns in hiring at-risk job applicants. There is no paperwork for the employer to complete, and no fee to pay. For additional Bonding information you may contact EDD at your local One-Stop Career Center, or visit <http://bonds4jobs.com>

For your nearest One-Stop Career Center location visit <http://servicelocator.org/>

**Mario Posada, Re-entry Specialist**

South County Career Center  
1111 Bay Blvd., Ste. E  
Chula Vista, CA 91911  
(619) 628-0368  
[mario.posada@edd.ca.gov](mailto:mario.posada@edd.ca.gov)

## EDD FIDELITY BONDING PROGRAM

The Employment Development Department's (EDD) Fidelity Bonding Program provides bonding services at no cost to employers, employees, and job seekers at Workforce Services sites and One-Stop Career Centers throughout California.

Fidelity bonding services protect employers against possible theft and dishonest or fraudulent acts, and help alleviate employers' concerns in hiring ex-offenders and at-risk job applicants. This program is funded and administered by EDD in partnership with the U.S. Department of Labor, Employment and Training Administration.

### Who is Eligible?

To qualify for a fidelity bond, the job seeker or employee must meet all of the following criteria:

- Provide verifiable proof of legal status or documentation for authorization to work in the U.S.
- Have a firm job offer or commitment of employment with a reasonable expectation of permanence.
- Not be commercially bondable, or could be denied commercial bonding coverage because of an arrest record or imprisonment; history of drug or alcohol abuse; poor credit history; or a lack of employment history.
- Position requires that the job seeker be bonded or requires a bond to retain or remain on the job.
- Job seeker or employee must be qualified for the position being offered.
- Cannot be self-employed or an owner/operator.

### What is the Limit Amount of Coverage?

Fidelity bonds may be issued for \$5,000 to \$25,000, in increments of \$5,000. Requests for fidelity bonds in excess of \$10,000 will be considered on a case-by-case basis.

### How Long Does the Coverage Last?

A fidelity bond is free-of-charge and remains in effect for six months from the date of issuance. It cannot be cancelled, forfeited, terminated or transferred to another employee.

At the completion of the initial six-month coverage period, if no claim has been made against the policy, the employer has the opportunity to purchase continuing coverage at normal commercial rates. Extended coverage will be made available from the Travelers Property Casualty Company through The McLaughlin Company.

### How to Apply for Bond Certification

Job seekers or employees may apply for a fidelity bond by visiting their local EDD Workforce Services site or One-Stop Career Center. The certification process is simple, and requires no paperwork for the job seeker or the employer.

Coverage becomes effective once:

- Job seekers, employees and employers meet all eligibility requirements.
- The EDD's Workforce Services or One-Stop Career Center staff has certified the bond.
- The applicant/employee has begun work.

### Additional Information

Contact your nearest EDD Workforce Services site, listed under "Employment Development Department Job Service" in the State Government section of the telephone directory, or visit EDD's Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

EDD is an equal opportunity employer/program.

Auxiliary aids and services are available upon request to individuals with disabilities.



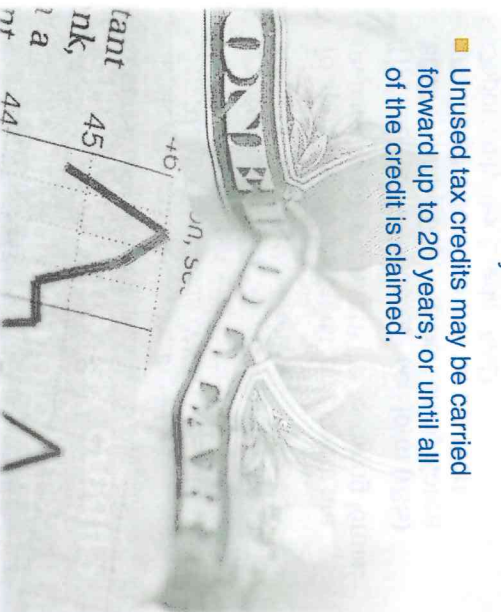
# What is the WORK OPPORTUNITY TAX CREDIT (WOTC)?

# NEED more INFORMATION?

Is your company  
taking advantage of a  
Federal tax credit up to  
**\$9,000**  
when you hire  
new employees?

The WOTC is a federal tax credit available to companies who hire jobseekers from specific target groups who experience barriers to employment. (See inside brochure for target group descriptions)

- WOTC can provide up to \$2,400 in tax savings for each qualifying hire, and up to \$9,000 for Long Term Family Assistance Recipient hires.
- Easy application process.
- Companies may claim a tax credit on an unlimited number of qualifying new hires each year.
- Unused tax credits may be carried forward up to 20 years, or until all of the credit is claimed.



Visit the EDD Web site at  
[www.edd.ca.gov/WOTC](http://www.edd.ca.gov/WOTC)

or call the WOTC Center at  
1-866-593-0173



State of California

Labor and Workforce Development Agency

Employment Development Department

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Find out  
how the  
**WORK OPPORTUNITY  
TAX CREDIT PROGRAM**  
can benefit  
your bottom line!

